
**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF MISSISSIPPI**

In re:

PAULA REED

**Case No. 20-12472-JDW
Chapter 7**

Debtor.

GREENWOOD LEFLORE HOSPITAL

Plaintiff/Creditor,

Adv. Proc. No. _____

v.

PAULA REED,

Defendant/Debtor.

**COMPLAINT TO DETERMINE DISCHARGEABILITY
AND IN OBJECTION TO DISCHARGE
[PURSUANT TO 11 U.S.C. §§523(a)(8); 42 U.S.C. § 292f (2)(g), and Federal Rule of
Bankruptcy Procedure 7001 and 7008(b)]**

COMES NOW Plaintiff, GREENWOOD LEFLORE HOSPITAL (“GLH”), by and through Counsel, and files this its Complaint against PAULA REED (“Defendant”) to determine dischargeability of debt pursuant to 11 U.S.C. §523(a)(8), 42 U.S.C. § 292f (2)(g), and Federal Rule of Bankruptcy Procedure 7001 and 7008(b) and states as follows:

JURISDICTION

1) Jurisdiction of this adversary proceeding is conferred on this Court by 28 U.S.C. §§ 157 and 1334, and Fed. R. Bankr. P. 5005, 7001(6) and (9), and 7002.

2) This is a Core Proceeding pursuant to 28 U.S.C. § 157(b)(2)(I). This Complaint is brought pursuant to 11 U.S.C. §§ 523(a)(8), 42 U.S.C. § 292f (2)(g), and Federal Rule of Bankruptcy Procedure 7001 and 7008(b) as it pertains to Defendant’s entitlement to attorneys’ fees.

PARTIES

3) The Plaintiff, Greenwood Leflore Hospital, Plaintiff/Creditor, is a community hospital, and as such, is a governmental entity as defined by Miss. Code Ann. § 11-46-1.

4) The Defendant/Debtor resides in Grenada County, in the State of Mississippi. Her address for mailing purposes is P. O. Box 164, Grenada, Mississippi 38902.

FACTS

5) Plaintiff (GLH) and Defendant (Reed) executed a Nurses’ Contract that allowed the Defendant Reed to receive monies for tuition and various other expenses to become a registered nurse in exchange for Defendant’s promise to work at Plaintiff’s hospital as a full time PCAII/Registered Nurse (RN) for a fixed period of time. Plaintiff accepted Defendant into this student loan program, and Defendant Reed received the student loan benefits. See Exhibit “A”.

6) In or about September 2010, Defendant enrolled as a student in nursing school at Homes Community College as contemplated by the parties' agreement.

7) Defendant paid for her tuition at nursing school through student loans obtained from Plaintiff GLH. The monies obtained through these student loans were used strictly for educational expense including tuition, books, and living expenses while Defendant Reed was enrolled in nursing school. However and thereafter, Defendant Reed defaulted under the terms of the contract, and Defendant has failed to repay the student loans advanced by Plaintiff GLH as provided in the Nurses' Contract.

8) Defendant's student loans were a debt incurred for an educational benefit and loan made by a governmental unit.

9) Plaintiff/Creditor GLH holds a claim against Defendant/Debtor Reed in the amount of approximately Seventeen Thousand Seven Hundred Forty-Nine Dollars and Forty-Six Cents (\$17,749.46), incurred through educational loan disbursements. This balance does not include accrued interest of Eight Thousand Three Hundred Thirteen Dollars and Fifty-Three Cents (\$8,313.53) reflecting the legal interest of 8% rate set in the original judgment, nor court costs in the amount of \$897.00, the amount of which, having accrued on a non-dischargeable debt, is likewise non-dischargeable. Plaintiff/Creditor GLH's claim is Twenty-Six Thousand Four Hundred Seventy-Four Dollars and Ninety-nine Cents (\$26,474.99).

CLAIMS

1. OBJECTION TO DISCHARGEABILITY PURSUANT TO 11 U.S.C. §523(a)(8)

10) Plaintiff/Creditor GLH incorporates each of the preceding paragraphs of its Complaint.

11) 11 U.S.C. §523(a)(8) was created specifically for this type of Student Loan.

12) Plaintiff/Creditor GLH is a community hospital as defined by Miss. Code Ann. § 41-13-10 and a political subdivision as defined by Miss. Code Ann. §11-46-1. Therefore, 11 U.S.C. §523(a)(8)(A)(i-ii) applies in this situation because the facts show a governmental unit providing an educational benefit via the student loan to Defendant/Debtor Reed with the expectation of being repaid.

13) 11 U.S.C. §523(a)(8)(B) also applies since the student loan does, in fact, fall under the definition of a qualified educational loan incurred by a debtor who is an individual. WHEREFORE, PREMISES CONSIDERED, Plaintiff/Creditor GLH respectfully requests that this Court enter judgment against the Defendant as follows:

(a) Declaring Defendant's indebtedness to Plaintiff/Creditor GLH, as non-dischargeable in accordance with 11 U.S.C. §523(a)(8) and supplemental provisions;

(b) Declaring Defendant's indebtedness to Plaintiff/Creditor GLH, in the amount of Twenty-Six Thousand Four Hundred Seventy-Four Dollars and Ninety-nine Cents (\$26,474.99), plus interest accruing and future court costs;

(c) Granting Plaintiff/Creditor GLH an award of Attorneys Fees to Defendant GLH pursuant to Fed. R. Bankr P. 7008 (b);

(d) Granting Plaintiff/Creditor GLH other and further relief to which it may be entitled.

DATED this the 7th day of September, 2020.

Respectfully submitted,

GREENWOOD LEFLORE HOSPITAL

BY: /s/ Rebecca A. Keith

OF COUNSEL:

REBECCA A KEITH, (MBN 101244)

Post Office Box 22685

Jackson MS 39225

Telephone: 601-948-3600

Facsimile: 601-948-3688

rkeith@umrllc.com

Attorney for Greenwood Leflore Hospital / United Medical Recovery, LLC

NURSES' CONTRACT

THIS CONTRACT entered into by and between Greenwood Leflore Hospital, acting by and through its duly authorized officers, (hereinafter referred to as the "Hospital,") and

Paula Reed, hereinafter referred to as "Student."

WITNESSETH:

FOR IN CONSIDERATION OF THE mutual promises, agreements, and understanding of the parties herein set out, it is agreed and contracted, as follows:

1. Student desires to become a Registered Nurse, but to do so, it is necessary that she/he attends and successfully completes a school of nursing. Hospital has need for the services of such Registered Nurses, and for that reason, is willing to finance on the terms herein set out, the attendance of Student at such school of nursing.
2. Student has applied for and has been accepted as a Student in the course of nursing offered by Holmes Community College and which course begins in Summer 2010 and expires after required number of hours and/or months is completed in sequence for this particular course (AD/BSN). Student agrees to attend the aforesaid school of nursing and to study the course of nursing therein. During such time while Student is so engaged, Hospital agrees to do the following:
Hospital will advance to Student a tuition/book allowance, payable during or before the first week of each school semester, and a \$250.00 uniform allowance the first semester, beginning Summer 2010, in accordance with the tuition schedule of Holmes Comm. College at that time.
3. Student agrees to attend such nursing school to apply herself/himself diligently to the courses given therein, to successfully complete same and immediately upon completion to return to the Hospital to work as a full-time PCAII/RN.

EXHIBIT A

4. Student agrees to work at the Hospital on shifts prescribed by Hospital as a fully licensed Registered Nurse, at the then prevailing salary rate of the Hospital, provided such employment is made available by the Hospital.

5. PR Student agrees to work at the hospital as a fully licensed Registered Nurse for a period of 24 months if at the end of nursing school the total amount of his/her tuition/book/uniform allowance he/she received from the Hospital was \$13,000 or less. /

6. PR Student agrees to work at the hospital as a fully licensed Registered Nurse for a period of 36 months if at the end of nursing school the total amount of his/her tuition/books/uniform allowance he/she received from the Hospital was more than \$13,000.

7. PR If Student shall fully comply with and carry out his/her undertaking herein, he/she shall not be obligated to repay the Hospital any part of the aforesaid tuition/book/uniform allowance. If Student fails to comply fully with and carry out his/her undertaking herein, she/he shall be obligated to repay the Hospital TWICE THE AMOUNT of the aforesaid tuition, books, uniform allowance, to become due and payable thirty (30) days after the breach occurs. The Hospital may waive this penalty at its sole discretion.

8. PR Student understands and agrees that the allowances may be considered to be compensation by the Internal Revenue Service ("IRS") under applicable laws. The allowances will be reported to the IRS and the appropriate governmental authorities and may constitute taxable income in the year received.

9. The Student shall be considered in breach of this contract if:
- Having successfully completed the nursing course(s), Student fails to accept employment by the Hospital as a registered nurse.
 - Student becomes obligated to another facility either in the capacity of a nurse or any other capacity making it impossible for student to fulfil the duties of a registered nurse at Hospital;
 - Student resigns from his/her employment before completion of 24 months employment for any reason other than his/her death or personal illness, which, in the Hospital's judgment, is serious enough that Student could not reasonably continue employment.

- d. Student fails to complete the course of study for any reason other than his/her death or personal illness, which, in the Hospital's judgment, is serious enough that Student could not reasonably attend school;
 - e. Student fails to carry out his/her duties as a Registered Nurse, or violates Hospital policy and, as a result thereof, is discharged by Hospital prior to completion of 24 or 36 months employment; and
 - f. Student fails to meet the requirements of the Mississippi Board of Nursing for becoming a Registered Nurse within twelve (12) months of completing a course of nursing.
10. Student understands that nothing in this Agreement is intended nor shall be construed as, an employment contract with Hospital, or any agreement by Hospital to employ Student for a definite term. Student further acknowledges that no representation made to him/her, or anything in this Agreement, creates an expectation of his/her behalf for employment for a definite term at Hospital, it being expressly agreed between Hospital and Student that student employment at Hospital shall be terminable at the will of either Hospital or Student and that Student's terms and conditions of employment shall be governed by Hospital's personnel policies in effect from time to time during the tenure of Student's employment.
11. This contract shall be governed by the laws of the State of Mississippi.
12. If a court of competent jurisdiction should hold any provision of this contract unenforceable, that portion shall be stricken and the remaining provisions of the contract shall remain of full force and effect.

WITNESS the signature of Greenwood Leflore Hospital by its Executive Director, pursuant to authority granted at the _____ meeting of said Board of Hospital Commissioners, and witness the signature of _____, this _____ day of _____.

Witness

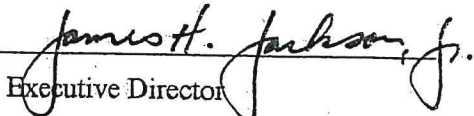

Executive Director

EXHIBIT A

Barnie Winbush

Witness

Paula Reed

Student

Witness

Parent of Guardian of Guarantor

Revised: 10-01-00

04-01-2007

12-01-2007

02-15-2008

EXHIBIT A